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PRESS RELEASE

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DynCorp International LLC and the Sandi Group Pay United States More Than \$8.7 Million To Resolve False Claims Act Allegations - Companies Allegedly Submitted False Claims Related to Police Work in Iraq -

WASHINGTON - The United States has settled a whistleblower lawsuit against DynCorp International LLC and The Sandi Group (TSG), the United States Attorney's Office for the District of Columbia announced today.

The lawsuit, filed in the U.S. District Court for the District of Columbia, alleges that DynCorp and its subcontractor TSG submitted or caused to be submitted false claims for payment under DynCorp's contract with the Department of State to provide civilian police training in Iraq.

DynCorp has agreed to pay the United States \$7.7 million to resolve allegations that it submitted false claims for the construction of container camps at various locations in Iraq. TSG agreed to pay \$1.01 million to resolve allegations that it sought reimbursement for danger pay that it falsely claimed to have paid its U.S. expatriate employees working in Iraq.

The lawsuit was initially filed by two former TSG employees under the *qui tam* or whistleblower provisions of the federal False Claims Act, which permit private individuals, called "relators," to bring lawsuits on behalf of the United States and receive a portion of the proceeds of a settlement or judgment awarded against a defendant. As a result of the settlement, the two, Drew Halldorson and Brian Evancho, will receive up to \$481,710 as their share of the government's recovery.

"This settlement demonstrates our commitment to aggressively investigating wartime profiteering that corrupts the integrity of our government contracting process," said U.S. Attorney Ronald C. Machen Jr. "This Office worked hand-in-hand with the relators and federal investigators to uncover these fraudulent claims and recover inflated costs that were illegitimately billed to the American taxpayers."

“The hard work of stabilizing Iraq is challenging enough without contractors and subcontractors inflating the cost of rebuilding by making false claims at taxpayers’ expense,” said Tony West, Assistant Attorney General for the Civil Division. “This case demonstrates that the Department of Justice will pursue these cases that undermine the integrity of our public contracting process.”

“We’re pleased with the successful resolution of this case, and I commend the dedication of our Office of Inspector General (OIG) criminal investigators,” said Harold Geisel, Deputy Inspector General for the Department of State. “Our efforts should reinforce to American taxpayers that oversight of their tax dollars is taken seriously.”

“False claims filed by contractors have been a problem in Iraq,” said Stuart W. Bowen Jr., Special Inspector General for Iraq Reconstruction (SIGIR). “While SIGIR continues to pursue a number of allegations in this regard, I am pleased to see that today one of those cases has come to just resolution. I commend the Department of Justice prosecutors, the Department of State investigators and my SIGIR team for working together to achieve this important victory on behalf of the U.S. taxpayers.”

Assistant Attorney General West and U.S. Attorney Machen thanked the joint investigation team, which includes special agents with the Department of State-OIG and the SIGIR, for their efforts in the investigation of this matter.

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